



# Labour Market Bulletin

Alberta

June 2022



This Labour Market Bulletin provides an analysis of Labour Force Survey results for the province of Alberta, including the regions of Calgary, Edmonton, Central Alberta and Mountain Parks, Southern Alberta, and Northern Alberta.

## OVERVIEW

Alberta experienced rapid economic growth during the second quarter of 2022. Much of this economic growth can be attributed to high energy prices and increased oil production in the province. These two factors also carried the Alberta economy during the first quarter of the year. Alberta posted a \$3.9 billion surplus for the financial year ending March 31, 2022, instead of an expected deficit of \$3.4 billion. This was largely due to a record \$16.2 billion in resource revenues. As oil prices climbed throughout the year and topped US\$100 a barrel following the February invasion of Ukraine by Russia, Alberta's royalty revenues surged to an all-time record.<sup>1</sup>

While the province is experiencing rapid economic growth, it is also facing acute labour shortages in key sectors. While a tight labour market is good news for job seekers, continued labour shortages could impede on the ability of businesses to deliver goods and services effectively. For instance, the Canadian Association of Energy Contractors (CAOEC) is forecasting an increase of 445 wells drilled and an increase of 2,484 jobs in its revised 2022 drilling forecast. However, CAOEC also expects that continuing labour shortages will impact industry activity for the remainder of the year.<sup>2</sup> Also, in the middle of what is expected to be a busy tourist season, the Alberta Hotel and Lodging Association says that staff shortages persist across the sector as many employees laid off during the COVID-19 pandemic are not returning to the industry.<sup>3</sup> The Fairview Health Complex closed nine of its twenty five acute care inpatient beds from June 6 to July 1 due to a staff shortage.<sup>4</sup>

On May 1, the Government of Alberta lifted restrictions on the hiring of new temporary foreign workers. The province made the changes to support sectors of the economy that are dealing with labour shortages and are struggling to find qualified Canadian workers.<sup>5</sup> It remains to be seen whether these changes will help businesses recruit an adequate workforce in the short term.

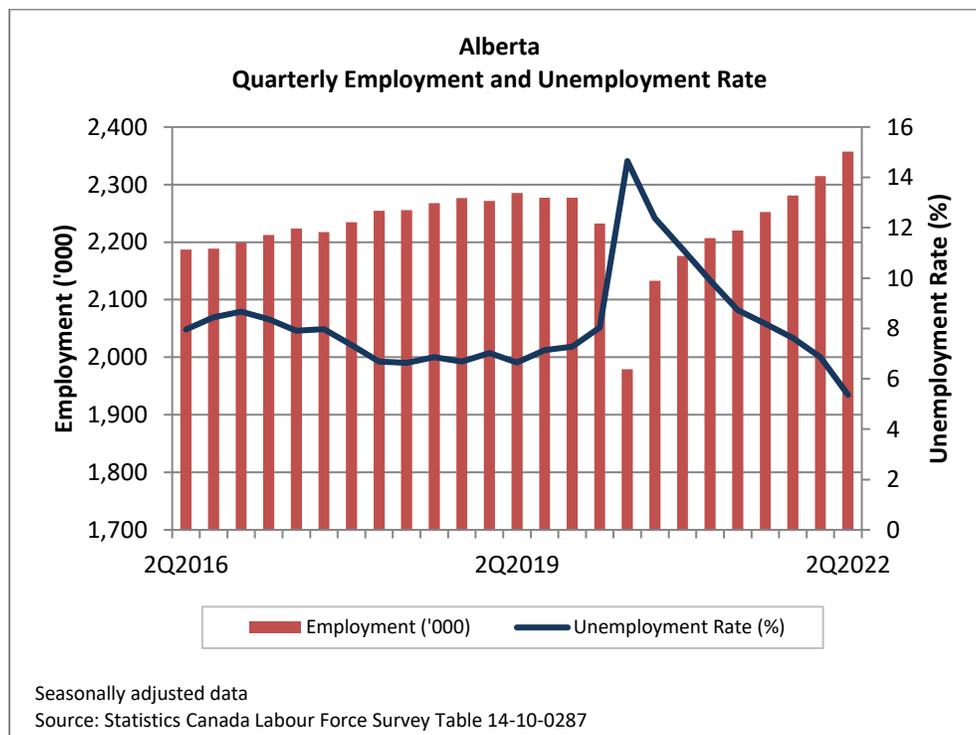
Employment in the second quarter of 2022 averaged around 2.3 million, representing an increase of 42,500 jobs (+1.8%) compared to the first quarter. On an annual basis employment increased by 137,200 jobs (+6.2%) in the second of 2022 compared to the same period last year. Full-time employment increased by 55,400 (+3.0%) in the second quarter, whereas part time employment decreased by 12,800 jobs (-2.8%).

**Alberta Quarterly Labour Force Statistics**

Seasonally adjusted data	2nd Quarter 2022	1st Quarter 2022	2nd Quarter 2021	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	3,601.3	3,580.2	3,536.4	21.1	0.6	64.9	1.8
<b>Labour Force ('000)</b>	2,490.8	2,485.1	2,432.5	5.7	0.2	58.3	2.4
<b>Employment ('000)</b>	2,357.2	2,314.7	2,220.0	42.5	1.8	137.2	6.2
Full-Time ('000)	1,918.5	1,863.1	1,804.3	55.4	3.0	114.2	6.3
Part-Time ('000)	438.7	451.5	415.7	-12.8	-2.8	23.0	5.5
<b>Unemployment ('000)</b>	133.6	170.5	212.5	-36.9	-21.6	-78.9	-37.1
<b>Unemployment Rate (%)</b>	5.4	6.9	8.7	-1.5	-	-3.3	-
<b>Participation Rate (%)</b>	69.2	69.4	68.8	-0.2	-	0.4	-
<b>Employment Rate (%)</b>	65.5	64.7	62.8	0.8	-	2.7	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0287, formerly CANSIM 282-0087



Unemployment decreased drastically by 36,900 (-21.6 %) in the second quarter of 2022. The unemployment rate decreased by -1.5 percentage points to land at 5.4%. This was the lowest quarterly unemployment rate recorded in Alberta since the pandemic began. The labour market in Alberta continues to tighten, as unemployment stays low while there remains many unfilled job vacancies throughout the province.



**Alberta Quarterly Unemployment Rates, by Gender and Age**

Seasonally adjusted data	2nd Quarter 2022 (%)	1st Quarter 2022 (%)	2nd Quarter 2021 (%)	Quarterly Variation (% points)	Yearly Variation (% points)
<b>Total</b>	5.4	6.9	8.7	-1.5	-3.3
<b>25 years and over</b>	4.5	5.8	7.6	-1.3	-3.1
Men - 25 years and over	4.8	5.8	7.4	-1.0	-2.6
Women - 25 years and over	4.2	5.8	7.9	-1.6	-3.7
<b>15 to 24 years</b>	10.6	13.4	16.2	-2.8	-5.6
Men - 15 to 24 years	10.5	13.7	18.5	-3.2	-8.0
Women - 15 to 24 years	10.7	13.1	13.8	-2.4	-3.1

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0287, formerly CANSIM 282-0087

Young men (aged 15-24 years) had the most significant decline in the unemployment rate, with a -3.2 percentage point drop from the first to the second quarter. The unemployment rate for young women (15 to 24 years) decreased by 2.4 percentage points to end up at 10.7% in the second quarter of 2022. The unemployment rate for young workers (15-24 years) is at 10.6% in the second quarter of 2022, compared to 5.4% for workers 25 years and over. The unemployment rate for young workers has improved compared to the first quarter, partly because many students have taken up seasonal employment throughout the province.

## EMPLOYMENT BY INDUSTRY

Employment in the services-producing sector increased by 44,800 jobs (+2.5%) in the second quarter of 2022. In contrast, employment in the goods-producing sector decreased by -2,300 jobs (-0.4%). On an annual basis, employment in the services-producing sector was up substantially by +135,800 jobs (+8.1%), and employment in the goods-producing sector has increased slightly (+0.3%). The larger overall gain in the services producing sector is due to the significant recovery that the retail, food service, and tourism industries have undergone in the last year in periods when public health orders were more relaxed.

### Alberta Quarterly Labour Force Statistics, by Industry

Seasonally adjusted data ('000)	2nd Quarter 2022	1st Quarter 2022	2nd Quarter 2021	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	2,357.2	2,314.7	2,220.0	42.5	1.8	137.2	6.2
<b>Goods-producing sector</b>	551.5	553.8	550.1	-2.3	-0.4	1.4	0.3
Agriculture	35.9	33.6	36.6	2.3	6.8	-0.7	-1.9
Forestry, fishing, mining, quarrying, oil and gas	145.7	147.2	141.6	-1.5	-1.0	4.1	2.9
Utilities	19.4	18.5	20.9	0.9	4.9	-1.5	-7.2
Construction	227.2	227.4	225.8	-0.2	-0.1	1.4	0.6
Manufacturing	123.3	127.1	125.3	-3.8	-3.0	-2.0	-1.6
<b>Services-producing sector</b>	1,805.7	1,760.9	1,669.9	44.8	2.5	135.8	8.1
Trade	383.7	362.6	332.4	21.1	5.8	51.3	15.4
Transportation and warehousing	130.8	128.8	124.3	2.0	1.6	6.5	5.2
Finance, insurance, real estate and leasing	118.1	114.7	116.3	3.4	3.0	1.8	1.5
Professional, scientific and technical services	202.7	195.6	185.2	7.1	3.6	17.5	9.4
Business, building and other support services	75.1	74.0	73.0	1.1	1.5	2.1	2.9
Educational services	165.4	161.9	171.9	3.5	2.2	-6.5	-3.8
Health care and social assistance	313.8	316.2	301.2	-2.4	-0.8	12.6	4.2
Information, culture and recreation	77.9	79.2	61.9	-1.3	-1.6	16.0	25.8
Accommodation and food services	137.2	129.7	107.5	7.5	5.8	29.7	27.6
Other services	94.7	93.4	97.1	1.3	1.4	-2.4	-2.5
Public administration	106.0	104.8	99.1	1.2	1.1	6.9	7.0

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table T14-10-0355, formerly CANSIM 282-0088

## Goods-producing industries

Increased demand, high energy prices and record levels of oil production have supported an annual increase of employment in the **resource extraction sector (forestry, mining, and oil and gas)** of +4,100 jobs (+2.9%). However, employment in the sector was down on a quarterly basis (-1,500 jobs or -1.0%). Oil production in Alberta was 17.1 million cubic metres in May 2022, up 3.6% compared to May 2021. Non-conventional (or oil sands) production, which constituted 83.6% of all oil production in Alberta in May 2022, increased by 1.8% year-over-year, while production of conventional oil increased by 13.4%.<sup>6</sup> Over the first five months of the year, total production stood at 547 million barrels, over 16 million barrels (+3.0%) higher from 2021 levels.<sup>7</sup> The price of Western Canadian Select averaged \$93.82 USD in the second quarter of 2022. While prospects for the sector look good in the short term, there could be challenges in the near future related to labour shortages. In April, a survey by ATB Capital Markets found that eighty-six per cent of energy services executives expect to add employees at their company in the next six months, while 43 per cent of exploration and production firms anticipate adding staff.<sup>8</sup> The Canadian Association of Energy Contractors (CAOEC) is also forecasting of 2,484 jobs in its revised 2022 drilling forecast. However, the CAOEC also expects that continuing labour shortages will impact industry activity for the remainder of the year.<sup>9</sup>

Employment in **the construction** sector essentially stayed the same in this quarter compared to the previous quarter. On an annual basis, employment in the construction sector has increased by +1,400 jobs. Price escalations on existing projects are affecting the sector in Alberta. The seasonally adjusted value of building permits issued in Alberta was \$34 million (+2.8%) higher from in May compared to April. However, inflation has played a major role in increasing construction costs. After adjusting for inflation, the value (in constant dollars) of May's permits was down 10.6% during the same time frame, suggesting a significant increase in costs.<sup>10</sup> Regardless of increasing costs, the housing market in Alberta is riding high currently. Housing starts increased by 15.2 per cent to 46,456 units on a seasonally adjusted basis in May, representing a seven year high.<sup>11</sup> The high amount of housing starts should support job growth in the sector in the short term. However, the **construction** sector is also facing labour shortages, especially when it comes to skilled labourers and tradespeople. In July, the government of Alberta allocated \$3.2 million on the 33 month apprenticeship Trade Pathways Program. The program is meant to help unemployed or underemployed young Albertans with preparatory training, and tool costs for apprenticeships in a skilled trade.<sup>12</sup>

## Services-producing industries

The services-producing sector includes labour intensive and public-facing industries such as wholesale and retail trade, and food and accommodation. These industries were initially among the most impacted during the height of COVID-19 related closures. In recent months employment has begun to recover.

Employment in the **professional, scientific and technical services** increased by +7,100 jobs (+3.6%) in the second quarter. Efforts to decarbonize the economy and accelerate the transition towards renewable energy sources has expanded job growth in the sector. An expanding geothermal industry in Alberta is opening up more job opportunities for geologists, geoscientists and other technical personnel in the oil and gas industry. For example, in May, FutEra Power began construction of its South Swan Hills geothermal and natural gas co-production power generation facility northwest of Edmonton.<sup>13</sup> Additionally, in June the Government of Canada announced that it would be providing \$5M to Novus Earth for a front-end engineering design (FEED) study for the Latitude 53

geothermal energy project in Hinton. Novus and Mitacs National Research Organization are also contributing to the project, bringing the total investment to almost \$6.6M.<sup>14</sup> Earlier in the quarter, the Government of Alberta announced that it would be investing \$50M to launch the Clean Hydrogen Centre of Excellence. Post-secondary institutions, industry, government and the centre will work to advance hydrogen technology under Alberta's Hydrogen Roadmap.<sup>15</sup> Increased public and private investment should improve the outlook for the sector in the short to medium term.

The **accommodation and food services** sector had an employment increase of +7,500 jobs (+5.8%) on a quarterly basis. The sector has also been experiencing labour shortages in the second quarter as the busy summer tourist season gets underway. The labour market remains extremely tight in this sector, with many jobs available across the province.

## REGIONAL ANALYSIS

The statistics for the economic regions are not seasonally adjusted and should only be compared on a year-over-year basis. Employment is sometimes influenced by seasonal and calendar effects occurring at the same time and with the same magnitude every year, which can bring about changes in the data that make quarterly comparisons difficult.

In the second quarter of 2022, employment increased on an annual basis in almost every region in the province. The exceptions were the **Camrose-Drumheller** region where employment essentially stayed the same, and in the **Red Deer** region where employment decreased by -7.8 percentage points since the same time last year. The largest job gains occurred in the province's main metropolitan areas of Calgary (+9.8%) and Edmonton (+6.2%).

**Alberta Quarterly Labour Force Statistics, by Economic Region**

Seasonally unadjusted data	Employment			Unemployment Rate		
	2nd Quarter 2022 ('000)	2nd Quarter 2021 ('000)	Yearly Variation (%)	2nd Quarter 2022 (%)	2nd Quarter 2021 (%)	Yearly Variation (% points)
<b>Alberta</b>	2,372.6	2,232.4	6.3	5.4	9.0	-3.6
<b>Economic Regions</b>						
Lethbridge - Medicine Hat	148.6	139.9	6.2	5.0	5.7	-0.7
Camrose - Drumheller	100.9	101.3	-0.4	4.1	6.5	-2.4
Calgary	934.4	851.0	9.8	5.3	9.1	-3.8
Banff-Jasper-Rocky Mountain House and Athabasca-Grand Prairie-Peace River	184.3	177.8	3.7	4.5	8.9	-4.4
Red Deer	103.5	112.3	-7.8	6.9	10.2	-3.3
Edmonton	824.7	776.4	6.2	5.7	9.7	-4.0
Wood Buffalo - Cold Lake	76.2	73.6	3.5	5.5	6.6	-1.1

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0387, formerly CANSIM 282-0122

**Lethbridge-Medicine Hat** saw an increase of 8,700 jobs (+6.2%) on an annual basis. There have been significant partnerships with local post-secondary institutions announced recently, which should help to support future job growth. Toronto-based Liquid Avatar Technologies is partnering with Lethbridge College students in Interior Design Technology, Virtual and Augmented Reality and Architectural Animation Technology in a competition that will lead to paid company internships.<sup>16</sup> Also, Lethbridge College formed a partnership with SVG Ventures/THRIVE to support growth in southern Alberta's agriculture and food sectors. The partnership plans to bring together entrepreneurs, industry experts and researchers to support local agriculture.<sup>17</sup>

In the **Camrose – Drumheller** region, employment essentially stayed the same on an annual basis. There have been some recent announcements related to renewable technologies that should increase job growth in the region. In April, INCA Renewable Technologies announced that it is planning to build a \$72M hemp fibre processing and composites manufacturing facility in Vegreville to utilize locally grown hemp. The factory is expected to be operational in early 2024 and create 70 jobs, scaling to about 100 jobs by 2026. The province is contributing up to \$0.4M to the project.<sup>18</sup> In June, BluEarth Renewables Inc. started construction on its 145 MW Hand Hills Wind Project in Starland County near Drumheller. The \$250M project is expected to create 175 construction jobs and be operational in early 2023.<sup>19</sup>

Employment in **Banff – Jasper – Rocky Mountain House** and **Athabasca – Grande Prairie – Peace River** increased by 6,500 jobs (+3.7%) and the unemployment rate dropped 4.4 percentage points to settle at 4.5%. The region has been experiencing acute labour shortages ahead of what is expected to be a busy upcoming tourism season. In April, Jasper had more than 600 job vacancies across a variety of occupations as businesses dealt with a shortage of applicants and a lack of affordable housing.<sup>20</sup> At the end of May, the Banff and Canmore Job Resource Centre estimated that the region could be short close to 2,000 workers as the busy summer tourist season approaches.<sup>21</sup> Prospects for job seekers are good in this region for the summer season.

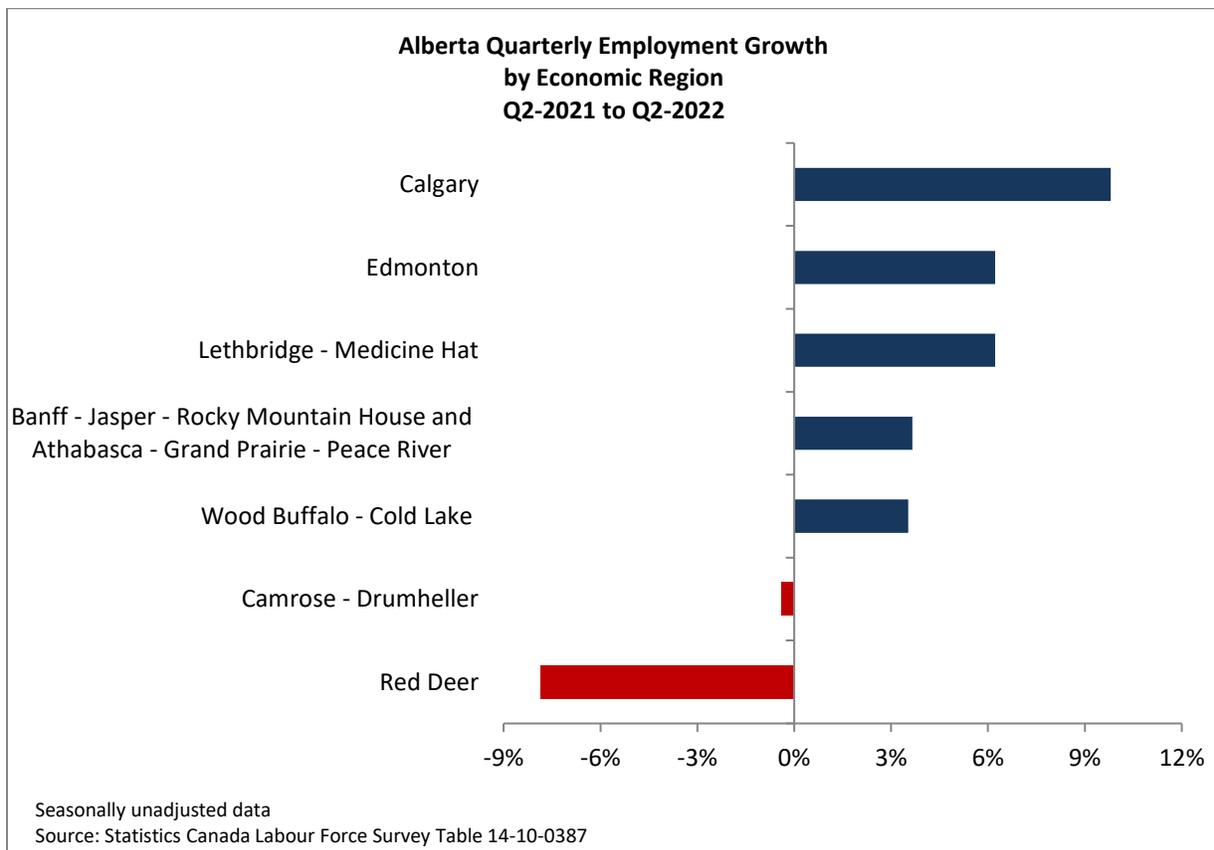
In **Red Deer** employment decreased by 7.8 percentage points on an annual basis and the unemployment rate stands at a provincial high of 6.9%. In May, there were some announcements that should support short term job growth in the region. The Government of Alberta announced that it is providing \$7.5M to the Town of Sundre towards \$11.5M in improvements to the local wastewater treatment plant. The project is expected to create 69 construction jobs and be complete in 2023.<sup>22</sup> Also in May, Track on 2 Racing and Event Centre announced that it is planning to add another 20 year-round jobs at its facility near Lacombe following approval for expansion from the Alberta Liquor, Gaming and Cannabis Commission.<sup>23</sup>

Employment in **Wood Buffalo – Cold Lake** increased by 3.5% on an annual basis. There were announcements in the second quarter that should bode well for job growth in the region, especially in the construction sector. The City of Cold Lake is building a new Public Works Operations Centre with an administration building, along with fleet maintenance and transit storage bays.<sup>24</sup> Also, TELUS is beginning construction this summer working with the Regional Municipality of Wood Buffalo (RMWB) to connect several rural communities directly to the TELUS PureFibre network. TELUS and the RMWB are investing \$21M to complete this network infrastructure.<sup>25</sup>

Employment in the **Calgary** region increased by a provincial high of +83,400 jobs (+9.8%) on an annual basis. There have been many announcements in the second quarter that should carry forward this momentum in job growth in the region. De Havilland Aircraft of Canada Limited is launching a water bomber aircraft manufacturing program that will bring 500 jobs and its Canadian headquarters to Calgary.<sup>26</sup> Also, Calgary Transit announced that

it is planning to hire more than 300 operators, at least 20 mechanical workers and re-certify 125 buses before returning to pre-pandemic service levels and ridership.<sup>27</sup> Finally, Vinci Infrastructure Canada Ltd. started construction on the \$744M Springbank off-stream reservoir project in May. The work is expected to create more than 2,200 jobs, and be partially operational in 2024 and fully operational in 2025.<sup>28</sup>

In **Edmonton**, employment was up by 48,300 jobs (+6.2) compared to a year ago. The unemployment rate dropped by 4.0 percentage points to 5.7%. The Edmonton region also had a several job growth-related announcements in the second quarter. The Government of Alberta, the City of Leduc and Edmonton International Airport announced that they are partnering on a \$96M highway interchange in Leduc. Construction is scheduled to start this summer. The project should take about three years for completion and create 470 jobs.<sup>29</sup> Construction has started on a \$150M recreation centre in Edmonton that includes an indoor cycling track and high-performance training centre. The project will generate more than 700 full-time jobs during construction and completion is expected in 2026.<sup>30</sup> Stantec, a global engineering and design company, was hiring for more than 100 positions in Edmonton in April. Walmart, EPCOR and Enbridge were among other organizations that were recruiting in Edmonton in the second quarter.<sup>31</sup>



**Note:** In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.

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**For information on the Labour Force Survey,** please visit the Statistics Canada Web site at: [www.statcan.gc.ca](http://www.statcan.gc.ca)

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<sup>1</sup> Calgary Herald (June 28, 2022) [Varcoe: A surprise surplus in Alberta hints a bigger bonanza ahead as royalties go 'through the roof'](#)

<sup>2</sup> Canadian Association of Energy Contractors (May 10, 2022) [CAOEC Announces its Revised 2022 Drilling Forecast.](#)

<sup>3</sup> CBC News (June 24, 2022) [Big events and staff shortages put strain on Edmonton hotel industry](#)

<sup>4</sup> MyGrandePrairieNow (June 6, 2022) [Fairview Health Complex temporarily closes acute care beds amid staff shortage](#)

<sup>5</sup> CIC News (May 3, 2022) [Alberta lifts restrictions on temporary foreign workers](#)

<sup>6</sup> Government of Alberta (April 8, 2022) [Oil Production](#)

<sup>7</sup> ATB Financial (July 11, 2022) [The black gold keeps flowing](#)

<sup>8</sup> Calgary Herald (April 12, 2022) [Varcoe: Oilpatch outlook solidifies for strong 2022 amid high prices](#)

<sup>9</sup> Canadian Association of Energy Contractors (May 10, 2022) CAOEC [Announces its Revised 2022 Drilling Forecast.](#)

<sup>10</sup> ATB Financial (June 23, 2022) [Building permit value in Alberta riding the inflation wave](#)

<sup>11</sup> CTV News (June 21, 2022) [Alberta housing starts rebound to 2015 levels as oil prices surge](#)

<sup>12</sup> Discover Airdrie (July 7, 2022) [Alberta Government announces new apprenticeship opportunity for Albertans](#)

<sup>13</sup> Calgary Herald (May 13, 2022) [Ground-breaking innovations in geothermal energy](#)

<sup>14</sup> Natural Resources Canada (June 16, 2022) [Canada Invests in Geothermal Exploration in Alberta](#)

<sup>15</sup> Government of Alberta (April 26, 2022) [\\$50M to launch Clean Hydrogen Centre of Excellence](#)

<sup>16</sup> Lethbridge Herald (April 02, 2022) [VR journey begins for students on Lethbridge College Island](#)

<sup>17</sup> Lethbridge Herald (June 21, 2022) [College partnership grows ag sector](#)

<sup>18</sup> Invest Alberta Corporation (April 21, 2022) [Invest Alberta announces INCA Renewtech's Advanced Bio-Composites Manufacturing Facility to be built in Alberta](#)

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- <sup>19</sup> Newsfile Corp. (June 27, 2022) [BluEarth Renewables Celebrates Ground-Breaking at Its 145 MW Hand Hills Wind Project](#)
- <sup>20</sup> CBC News (April 10, 2022) ['Big crunch summer' expected as labour shortage strains Jasper's tourism industry](#)
- <sup>21</sup> CBC News (May 24, 2022) [Rocky Mountain hotels, restaurants doubt help will arrive in time for summer tourist season](#)
- <sup>22</sup> Government of Alberta (April 30, 2022) [Innovation flowing at Sundre wastewater plant](#)
- <sup>23</sup> Lacombe Express (May 20, 2022) [Lacombe horse racing track wins big](#)
- <sup>24</sup> Mylakelandnow (April 6, 2022) [Work is being done on new Public Works Operations Centre](#)
- <sup>25</sup> TELUS Communications Inc. (June 09, 2022) [TELUS breaks ground in Wood Buffalo, investing \\$21 million on PureFibre network](#)
- <sup>26</sup> Calgary Herald (April 05, 2022) [Varcoe: Calgary awaits takeoff of new 'Super Scooper' plane as De Havilland Canada bases HQ in city](#)
- <sup>27</sup> Livewire Calgary (April 29, 2022) [Drivers wanted: Calgary Transit short operators, mechanics and buses to meet pandemic recovery demand](#)
- <sup>28</sup> Government of Alberta (May 05, 2022) [Construction on Springbank Reservoir begins](#)
- <sup>29</sup> Government of Alberta (May 12, 2022) [New Leduc interchange drives investment, creates jobs](#)
- <sup>30</sup> CTV News (March 24, 2022) [Edmonton breaks ground on indoor cycling track in Coronation Park](#)
- <sup>31</sup> DailyHive (April 1, 2022) [17 companies hiring hundreds of positions in Edmonton this April](#)